

B8595M
1.978
cop. 2

S. C. STATE LIBRARY

JUN 1 1979

STATE DOCUMENTS

THIRD ANNUAL REPORT

of the

**BUDGET AND CONTROL BOARD
DIVISION OF
MOTOR VEHICLE MANAGEMENT**

to the

GENERAL ASSEMBLY OF SOUTH CAROLINA

July 1, 1977 - June 30, 1978

Columbia, South Carolina

**Printed Under the Direction of the
State Budget and Control Board**

THIRD ANNUAL REPORT

of the

BUDGET AND CONTROL BOARD DIVISION OF MOTOR VEHICLE MANAGEMENT

to the

GENERAL ASSEMBLY OF SOUTH CAROLINA

July 1, 1977 - June 30, 1978

Columbia, South Carolina

**Printed Under the Direction of the
State Budget and Control Board**

CONTENTS

	Page
Letter of Transmittal	iii
Forward	iv
History of the Division	5
Accomplishments	7
Administrative Expenses	10
Organizational Chart	11
Staff	12
Future Plans and Needs	13
Savings to the State	14

HISTORY OF THE DIVISION

LETTER OF TRANSMITTAL

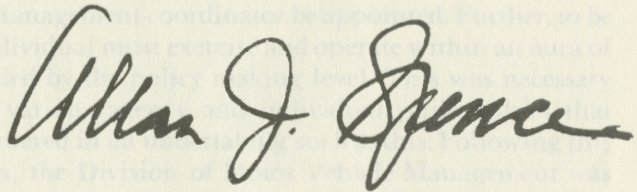
The Honorable James B. Edwards, Governor

The Honorable Members of the General Assembly

It is a pleasure to present to you the Third Annual Report for the Division of Motor Vehicle Management.

As in the previous two years, the Division has attempted to provide the very best in vehicle management to the State. I am pleased to say that much has been accomplished, yet much is left to be done. The swiftness of completion of our tasks unfortunately is directly reflected by the assets of state appropriations. Regardless of the amount of appropriations, the Division is dedicated to providing the upmost in vehicle management and leadership as it relates to legislation and policy of the State.

Respectfully submitted,



Allan J. Spence, Director
BUDGET AND CONTROL BOARD
DIVISION OF
MOTOR VEHICLE MANAGEMENT

LETTER OF TRANSMITTAL

The Honorable James B. Edwards, Governor

The Honorable Members of the General Assembly

STATION

It is a pleasure to present to you the Third Annual Report for the Division of Motor Vehicle Management.

In the previous two years the Division has continued to provide the very best in vehicle management to the State. I am pleased to say that much has been accomplished in the past year.

FORWARD

It is hoped that this annual report will allow the reader a simple and easy to read tool for learning more about the Division of Motor Vehicle Management. Most areas of interest and concern are covered within these pages; however, if more information is needed by the reader, additional information is available upon request.



William J. Spence, Director
BUDGET AND CONTROL BOARD
DIVISION OF
MOTOR VEHICLE MANAGEMENT

HISTORY OF THE DIVISION

In the past decade the number of motor vehicles and related equipment owned and used by the federal, state and local governments across the nation has grown by an astronomical number. The State of South Carolina has not been an exception, for it, too, boasts a large increase in motor vehicles. This is easily understood when one considers the number of employees added to our state payrolls and the general emphasis placed on mobility. As in most states and large municipalities, the problems encountered with respect to cost-effective operation of a large fleet of vehicles has become so complex that it has become necessary to designate an agency or division of government to develop and administer the policies for the efficient use of state vehicles.

In order to review and make recommendations on certain problem areas relevant to the management of state-owned operated vehicles, a special panel was assembled under the auspices of the Council of State Governments. The request for this study was initiated by the State Budget and Control Board and was completed on January 20, 1975.

One of the recommendations of this special panel was that a State Motor Vehicle Management coordinator be appointed. Further, to be effective, this individual must exercise and operate within an aura of authority provided by the policy making level. This was necessary because of the various agency and individual philosophies that would be encountered in an undertaking such as this. Following this recommendation, the Division of Motor Vehicle Management was created by a proclamation of the State Budget and Control Board on May 27, 1975. A director was appointed and assigned the responsibilities "not only to prepare, promulgate, monitor and enforce such motor vehicle management regulations as are approved by the Budget and Control Board, but also to actively provide motor vehicle fleet management and technical assistance to the various state agencies."

The Division was subsequently given statutory status with the passage of the 1978-79 *State of South Carolina Appropriation Bill*, Part II, Permanent Provisions, Section 24, (Act 644). The Division, along with a three member Council appointed by the Budget and Control Board and confirmed by the Senate, is tasked with the responsibility to develop and administer a comprehensive State Fleet Management Program which covers the entire spectrum of motor vehicle management.

In addition to the recommendation to create the Division of Motor Vehicle Management, the special panel further recommended that policies, procedures, rules and regulations pertaining to management of state-owned and operated motor vehicles in the following areas be written:

- (1) Acquisition and disposal
- (2) Assignment and use
- (3) Identification
- (4) Service and repair
- (5) Replacement
- (6) Movement towards the establishment of an inter-agency, multiple user central transportation center
- (7) Achieve maximum cost effective management by developing a universal gasoline card, blanket automobile liability policy, reduction of non-official use of vehicles and other such measures that are considered beneficial to the State
- (8) Minimize reimbursement for use of personal vehicle to accomplish official business
- (9) Optimum energy efficiency for the task to be performed by proper selection and use of a vehicle
- (10) Penalties for violation of promulgated motor vehicle policies, rules and regulations

In addition to implementing the recommendations of the special panel, this Division has also been assigned the task of administering the vehicles obtained under the Urban Mass Transportation Act, paragraph 16(b)(2).

ACCOMPLISHMENTS

At the present time the Division of Motor Vehicle Management is located in the Arthur Middleton building annex, 322 Gervais Street (P. O. Box 633), Columbia, South Carolina. Mr. Allan J. Spence is the Director. The Division of Motor Vehicle Management (DMVM) has accomplished the following:

1. The Motor Vehicle Management Manual has been written and distributed. Included in this manual are chapters pertaining to:
 - a. Purpose and Background
 - b. Operations
 - c. Vehicle Acquisition
 - d. Vehicle Assignment
 - e. Vehicle Use
 - f. Vehicle Specifications
 - g. Vehicle Identification
 - h. Vehicle Inventory
 - i. Registration and Licensing
 - j. Decals and Slogans
 - k. Accident Prevention and Reporting
 - l. Fuel Conservation
 - m. State of South Carolina Credit Card
 - n. Disposal of State-Owned Vehicles
 - o. Blanket Auto Liability Insurance Policy
 - p. Complaints alleging misuse of state-owned vehicles
2. Chapters pertaining to the subjects listed below are being written, and will be added to the manual as approved by the Budget and Control Board.
 - a. Undercover License Tags
 - b. Special Equipment
 - c. Maintenance and Repair
 - d. Motor Vehicle Management Information System
3. A Universal Gasoline Credit Card System is in effect. This system utilizes one credit card for gasoline purchases at pumps of the S. C. Dept. of Highways and Public Transportation and those of major oil companies. Agencies use the various locations of Highway Department dispensing points in all possible cases. State contract gasoline is approximately 15¢ per gallon cheaper and oil is approximately 75¢ per quart cheaper than like items purchased from commercial sources. A credit card is assigned to

each vehicle and can be used to imprint necessary vehicle data on maintenance work orders.

4. Blanket Auto Liability Insurance Policy is in effect for all state-owned vehicles at a very reasonable rate. American Southern Insurance Company provides this coverage. The savings in this particular case cannot be accurately estimated because of absence of past records but is felt to be quite sizeable.
5. The official inventory of state-owned vehicles has been completed and reflects an accurate count of all state-owned vehicles.
6. The Motor Vehicle Management Information System (MVMIS) is being written which will enable our Division to maintain accurate cost accounting data on all state-owned motor vehicles. Included are operational and maintenance costs, fuel and oil consumption, mile/hours of operation and depreciation.
7. A policy has been established which requires a State Seal be displayed on certain vehicles. Reports from concerned citizens have been very favorable in this regards. Numerous reports have been received that indicates misuse and speeding incidents have greatly declined since our vehicles are being appropriately marked.
8. In 1976-77, the 19 local non-profit agencies operated 35 vehicles in transportation projects totaling \$285,260. In 1977-78, two more vehicles and two more agencies were added to the original group. The 1977-78 16(b)(2) grant purchased 36 vehicles for another 24 agencies for projects totaling \$415,000. The 16(b)(2) projects approved at State level for 1979-80 totaled \$471,250 and will use 39 vehicles in 23 local non-profit agencies. This is a federal assistance program and involves no South Carolina government funds.
9. The inspection section of the Division of Motor Vehicle Management was created so that all vehicles purchased through Central Purchasing, could be inspected for accessories/equipment and overall condition of the vehicle(s). Not only are state-owned vehicles inspected, but county and local municipalities who purchase through Central Purchasing are inspected also. Heretofore, the inspection section had no program to meet this need and, therefore, many times items placed on the original purchase requisition and paid for failed to appear on the vehicle. This brought about problems between the vendors and purchasing agencies. Many times these problems eventually

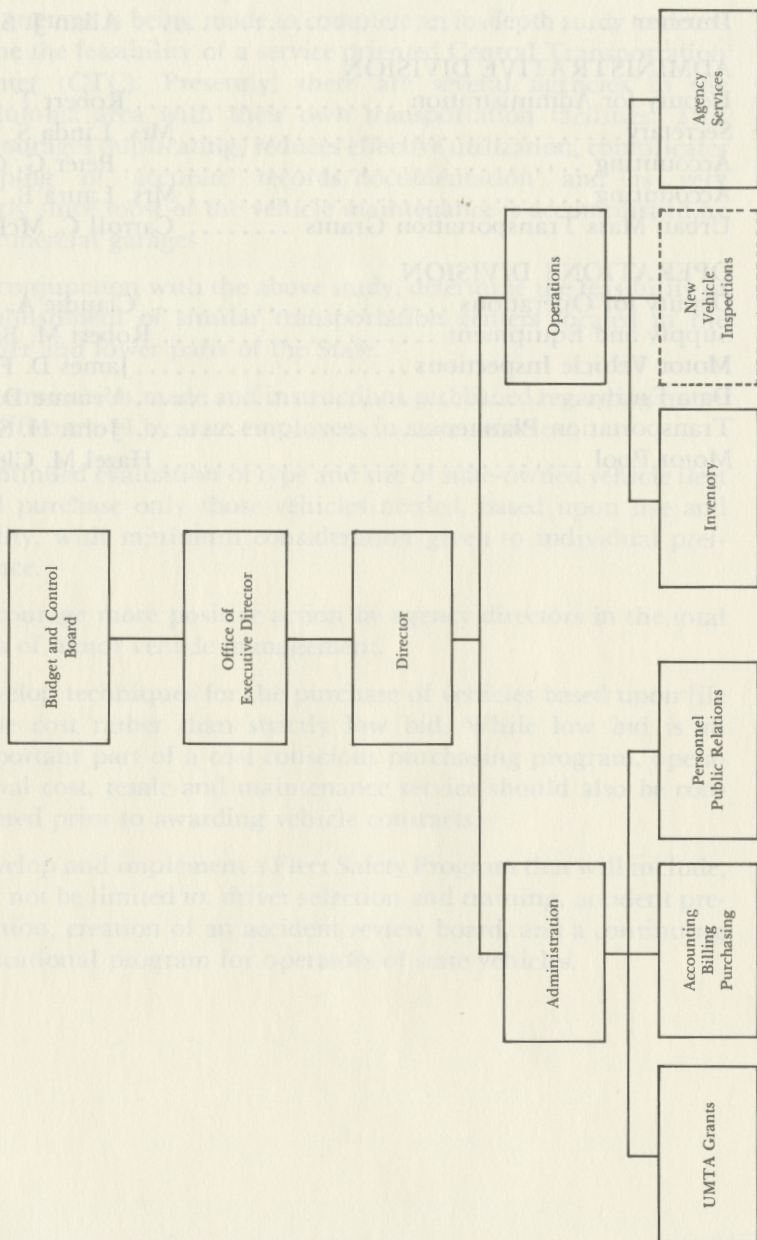
worked themselves out, but there were other times when the problem of an uninspected vehicle became extremely costly for the purchaser to assume. Of course, this additional cost or discrepancy was passed to the taxpayers of this State, counties and local municipalities. During the past fiscal year, more than 826 new vehicles were inspected by this program. A typical inspection verifies that all accessories/equipment that appeared on the purchase requisition and the basic equipment are correct and function as intended. In addition, state-owned vehicles that no longer perform in an efficient manner or those vehicles who meet the disposal criteria of 4 years and/or 60,000 miles are inspected as to the condition and to insure all original accessories/equipment is left intact. There were about 1,546 vehicles disposed of by the State this past fiscal year. Through the years as more and more vehicles are inspected, it is estimated that a substantial savings will be realized for the State.

10. During the past year, more than 83 staff visits were made to various state agencies, boards, and commissions by members of the Division of Motor Vehicle Management. These services are available to assist agencies in any management problems an agency may have.
11. The DMVM sponsored legislation that allows state-owned vehicles to carry permanent license tags. This greatly reduces overhead cost by not requiring the annual re-registration of state vehicles.

ADMINISTRATIVE EXPENSES

State	
Personal Services	\$34,075
Contractual Services	12,046
Supplies	2,888
Fixed Charges & Contributions	11,583
Office Equipment	<u>-0-</u>
Total State	<u>\$60,592</u>
Federal	
Comprehensive Employment and Training	
Act Grant	\$53,199
Urban Mass Transportation Act Grant	<u>43,674</u>
Total Federal	<u>\$96,873</u>

BUDGET AND CONTROL BOARD DIVISION OF MOTOR VEHICLE MANAGEMENT



STAFF FOR DIVISION OF MOTOR VEHICLE MANAGEMENT

Director Allan J. Spence

ADMINISTRATIVE DIVISION

Deputy for Administration Robert T. Davis

Secretary Mrs. Linda S. Watts

Accounting Peter G. Oliver

Accounting Mrs. Laura B. Baker

Urban Mass Transportation Grants Carroll C. McDuffie

OPERATIONS DIVISION

Deputy for Operations Claudie A. Davis

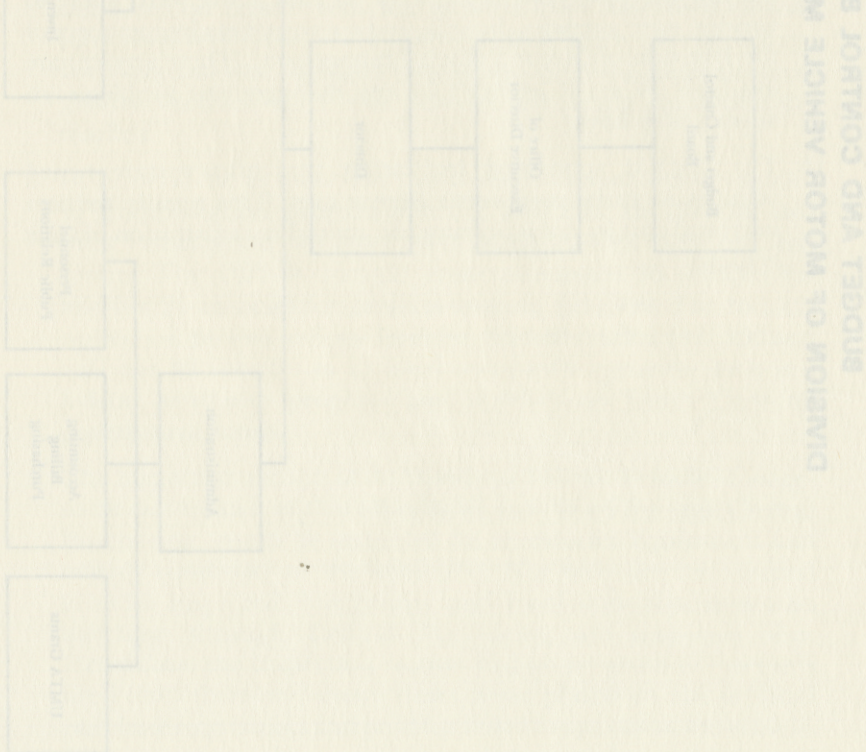
Supply and Equipment Robert M. Babbitt

Motor Vehicle Inspections James D. Filyaw

Data Entry Yvonne D. Clea

Transportation Planner John H. Snipes

Motor Pool Hazel M. Clelland



FUTURE PLANS AND NEEDS

1. An attempt is being made to complete an in-depth study to determine the feasibility of a service oriented Central Transportation Center (CTC). Presently, there are several agencies in the Columbia area with their own transportation facilities. This encourages duplicating, reduces effective utilization, complicates keeping of accurate records/documentation and is very costly since most of the vehicle maintenance is accomplished by commercial garages.
2. In conjunction with the above study, determine the feasibility of establishment of similar transportation centers located in the upper and lower parts of the State.
3. Determination made and instructions published regarding home to office travel by state employees in state vehicles.
4. Continued evaluation of type and size of state-owned vehicle fleet and purchase only those vehicles needed, based upon use and utility, with minimum consideration given to individual preference.
5. Encourage more positive action by agency directors in the total area of motor vehicle management.
6. Develop techniques for the purchase of vehicles based upon life cycle cost rather than strictly low bid. While low bid is an important part of a cost conscious purchasing program, operational cost, resale and maintenance service should also be considered prior to awarding vehicle contracts.
7. Develop and implement a Fleet Safety Program that will include, but not be limited to: driver selection and training, accident prevention, creation of an accident review board, and a continuing educational program for operators of state vehicles.

SAVINGS TO THE STATE IN OPERATIONAL COSTS

Programs	Savings
1. The continued policy of downsizing vehicles and purchasing smaller 6 cylinder engines instead of 8 cylinder for automobiles and light trucks. The State has realized a savings of approximately \$250,000.00.	\$ 250,000.00
2. Continued use of the universal credit card system with a savings of approximately 10¢ per gallon on gasoline for 100,000,000 miles of travel by state-owned vehicles.	372,300.00
3. By marking of vehicles and reducing personal use and reducing the number of vehicles driven to and from home. (estimate)	250,000.00
4. Continued utilization of the State fleet insurance policy and insuring 4,994 vehicles, saving \$100.00 per unit	499,400.00
TOTAL	<u>\$1,371,700.00</u>

